

PAID-UP
OIL & GAS LEASE

37 - 000133 - 000

Lease No. _____

03/10 - PA

This Lease made this 8th day of November, 2010, by and between: **Jennifer McCarter Donnelly, f/k/a Jennifer L. McCarter, a married woman dealing in her sole and separate property**, of **203 McBride Road, Beaver Falls, PA 15010**, hereinafter collectively called "Lessor," and **CHESAPEAKE APPALACHIA, L.L.C.**, an Oklahoma limited liability company, P. O. Box 18496, Oklahoma City, Oklahoma 73154-0496, hereinafter called "Lessee."

WITNESSETH, that for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements hereinafter set forth, the Lessor and Lessee agree as follows:

LEASING CLAUSE. Lessor hereby leases exclusively to Lessee all the oil and gas (including, but not limited to coal seam gas, coalbed methane gas, coalbed gas, methane gas, gob gas, occluded methane/natural gas and all associated natural gas and other hydrocarbons and non-hydrocarbons contained in, associated with, emitting from, or produced/originating within any formation, gob area, mined-out area, coal seam, and all communicating zones), and their liquid or gaseous constituents, whether hydrocarbon or non-hydrocarbon, underlying the land herein leased, together with such exclusive rights as may be necessary or convenient for Lessee, at its election, to explore for, develop, produce, measure, and market production from the Leasehold, and from adjoining lands, using methods and techniques which are not restricted to current technology, including the right to conduct geophysical and other exploratory tests; to drill, maintain, operate, cease to operate, plug, abandon, and remove wells; to use or install roads, electric power and telephone facilities, and to construct pipelines with appurtenant facilities, including data acquisition, compression and collection facilities for use in the production and transportation of products from the Leasehold or from neighboring lands across the Leasehold, to use oil, gas, and non-domestic water sources, free of cost, to store gas of any kind underground, regardless of the source thereof, including the injecting of gas therein and removing the same therefrom; to protect stored gas; to operate, maintain, repair, and remove material and equipment.

DESCRIPTION. The Leasehold is located in the Township of **South Beaver**, in the County of **Beaver**, in the Commonwealth of Pennsylvania, and described as follows:

Property Tax Parcel Identification Number: **77-141-0213.003**

and is bounded formerly or currently as follows:

On the North by lands of	McBride Road;
On the East by lands of	Rolling Acres, Inc.;
On the South by lands of	P. King;
On the West by lands of	Rolling Acres, Inc.;

including lands acquired from **Ira L. Lantz and Deloris M. Lantz, his wife**, by virtue of deed dated **June 2, 1986**, and recorded in **DB 1269/408**, and described for the purposes of this agreement as containing a total of **0.40** Leasehold acres, whether actually more or less, and including contiguous lands owned by Lessor. This Lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor, by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land.

LEASE TERM. This Lease shall remain in force for a primary term of **five (5) years** from 12:00 A.M. **November 8, 2010** (effective date)